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July 7, 2003

The Honorable Andre M. Davis
United States District Court for the District of Maryland
Garmatz Federal Courthouse
101 W. Lombard Street, Chambers 5B
Baltimore, Maryland 21201

Re: Jon Keeney v. John G. Larkin and Michael R. Azarela
Civil Action No. AMD-01-CV-2670

Dear Judge Davis:

As the Court is aware, we represent the Defendants in the above-referenced action.

Enclosed is a copy of a recent opinion issued by the United States Court of Appeals for the Ninth Circuit which addresses scienter in the context of a motion to dismiss a 10b-5 claim. We believe that this opinion – the last paragraph in particular – is relevant to the Defendants' motion to dismiss in this action.

The Ninth Circuit issued this opinion on July 3, 2003, the same day that Defendants filed their supplemental memorandum. For that reason, no reference is made to the Ninth Circuit's opinion in the supplemental memorandum. Nonetheless, we hope that the Court will find this opinion useful in considering Defendants' motion to dismiss.

Respectfully,

/s/

Stewart D. Aaron
(signed by Andrew Jay Graham with
permission of Stewart D. Aaron)

SDA/df
Enclosure

cc: Price Gielen, Esq. (by hand)
Attorney for Plaintiff